

Fund Update

For the quarter ended 30 June 2024

- Aurora KiwiSaver Scheme
- Aurora Conservative Fund

This fund update was first made publicly available on: 26 July 2024

What is the purpose of this update?

This document tells you how the Aurora Conservative Fund has performed and what fees were charged. The document will help you to compare the fund with other funds. FundRock NZ Limited prepared this update in accordance with the Financial Markets Conduct Act 2013. This information is not audited and may be updated.

Description of this fund

Objective: To deliver returns exceeding the CPI by 2.5% per annum before fees and tax, over a suggested investment timeframe of 3 to 5 years.

Strategy: Diversified fund aiming to provide moderate investment returns. It invests in mostly income assets and includes some growth assets. The underlying portfolio is actively managed and includes cash, fixed interest, infrastructure, Australasian equities, and international equities. Environmental, Social and Governance (ESG) and sustainability considerations are integrated into portfolio decision-making.

| | |
|--------------------------------------|----------------|
| Total value of the fund | \$61,720,354 |
| The date the fund started | 20 August 2021 |
| Number of members in the fund | 4,238 |

What are the risks of investing? See note 1

Risk indicator for the Aurora Conservative Fund.

| | | | | | | | |
|---|---------------------------|---|---|----------------------------|---|---|---|
| ⇐ | Potentially lower returns | | | Potentially higher returns | | | ⇒ |
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 |
| ⇐ | Lower risk | | | Higher risk | | | ⇒ |

The risk indicator is rated from 1 (low) to 7 (high). The rating reflects how much the value of the fund's assets goes up and down. A higher risk generally means higher potential returns over time, but more ups and downs along the way.

To help you clarify your own attitude to risk, you can seek financial advice or work out your risk profile at <https://sorted.org.nz/>.

Note that even the lowest category does not mean a risk-free investment, and there are other risks that are not captured by this rating.

This risk indicator is not a guarantee of a fund's future performance. The risk indicator is based on the returns data for 5 years to 30 Jun 2024. While risk indicators are usually relatively stable, they do shift from time to time. The risk indicator will continue to be updated in future fund updates.

See the product disclosure statement (**PDS**) for more information about the risks associated with investing in this fund.

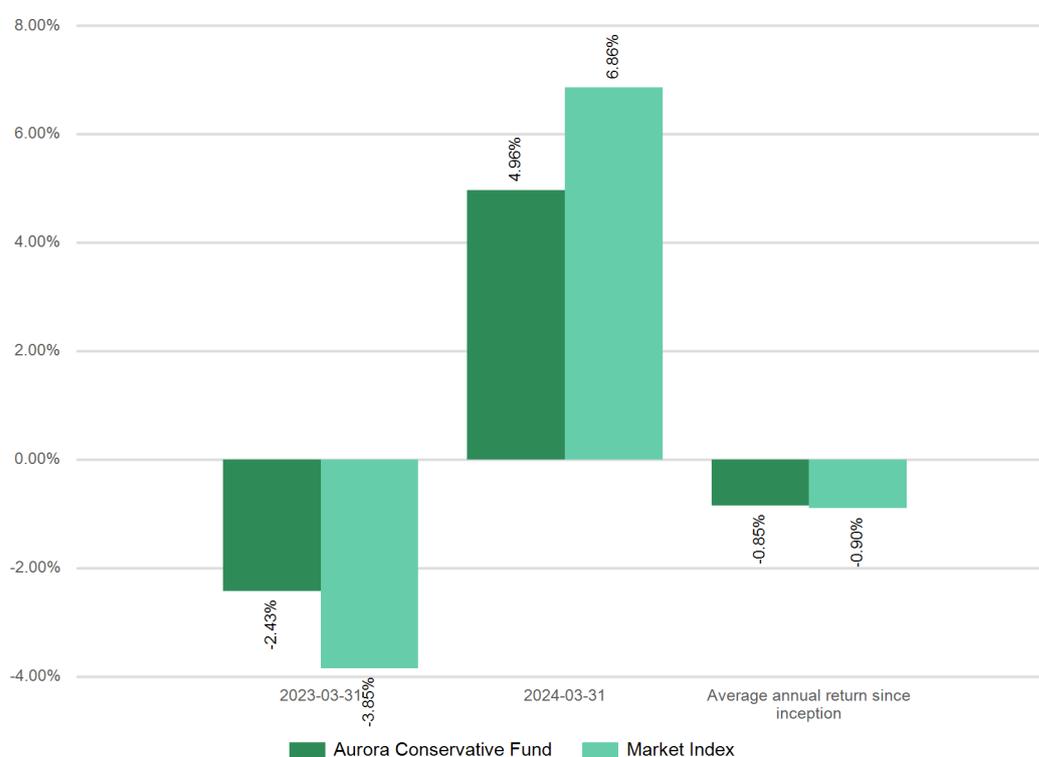
How has the fund performed?

| | Past year |
|--|-----------|
| Annual return (after deductions for charges and tax) | 3.95% |
| Annual return (after deductions for charges but before tax) | 5.00% |
| Market index annual return (reflects no deduction for charges and tax) | 6.51% |

The market index return is a composite benchmark index returns, weighted for the fund's target asset allocation. The benchmark indices used for each asset class are defined in the Statement of Investment Policy and Objectives (SIPO)

Additional information about the market index is available on the offer register at <https://disclose-register.companiesoffice.govt.nz>.

Annual Return Graph



This shows the return after fund charges and tax for each year ending 31 March since the fund started. The last bar shows the average annual return since the fund started, up to 30 June 2024.

Important: This does not tell you how the fund will perform in the future.

Returns in this update are after tax at the highest prescribed investor rate (PIR) of tax for an individual New Zealand resident. Your tax may be lower.

What fees are investors charged?

Investors in the Aurora Conservative Fund are charged fund charges. In the year to 31 March 2024 these were:

| | % of net asset value (inc. GST) |
|---|--|
| Total fund charges | 1.11% |
| Which are made up of: | |
| Total manager and admin charges (inc. GST) | 1.11% |
| Including: | |
| Manager's basic fee (inc. GST) | 1.06% |
| Other management and administration charges | 0.05% |
| | |
| Other charges | Dollar amount per investor |
| Member fee | \$36.00 |

Other management and administration charges includes an estimate of the charges incurred in the underlying fund in which the fund invests. The estimate incorporates information provided by the underlying fund manager as well as information sourced from the underlying fund's disclosure documents.

Investors may also be charged individual action fees for specific actions or decisions (for example, for withdrawing from or switching funds). See the PDS for the Aurora Conservative Fund on the offer register at <https://disclose-register.companiesoffice.govt.nz> for more information about those fees.

Example of how this applies to an investor

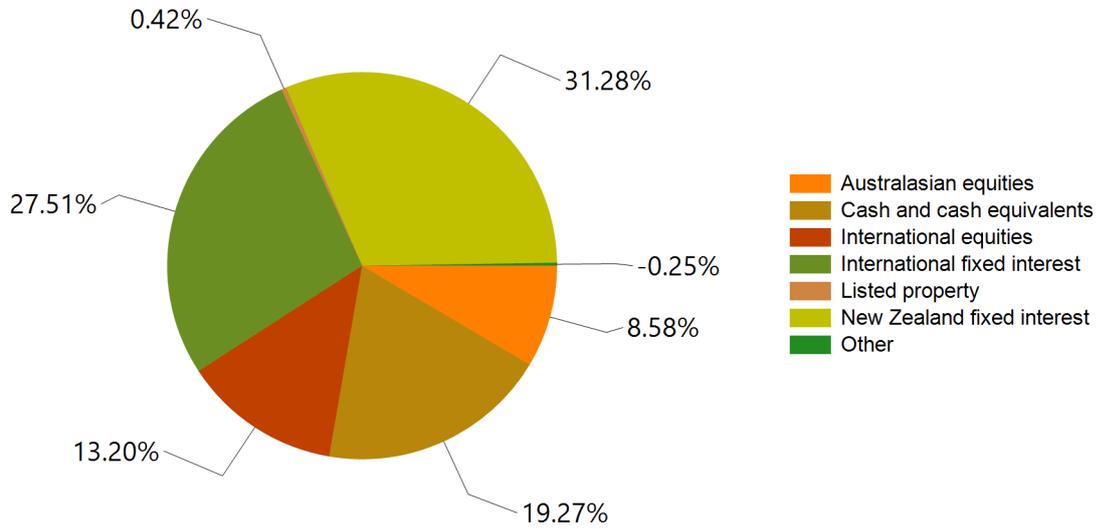
Small differences in fees and charges can have a big impact on your investment over the long term.

Anthony had \$10,000 in the fund at the start of the year and did not make any further contributions. At the end of the year, Anthony received a return after fund charges were deducted of \$500 (that is 5.00% of his initial \$10,000). Anthony also paid \$36 in other charges. This gives Anthony a return after tax of \$359 for the year.

What does the fund invest in?

This shows the types of assets that the fund invests in.

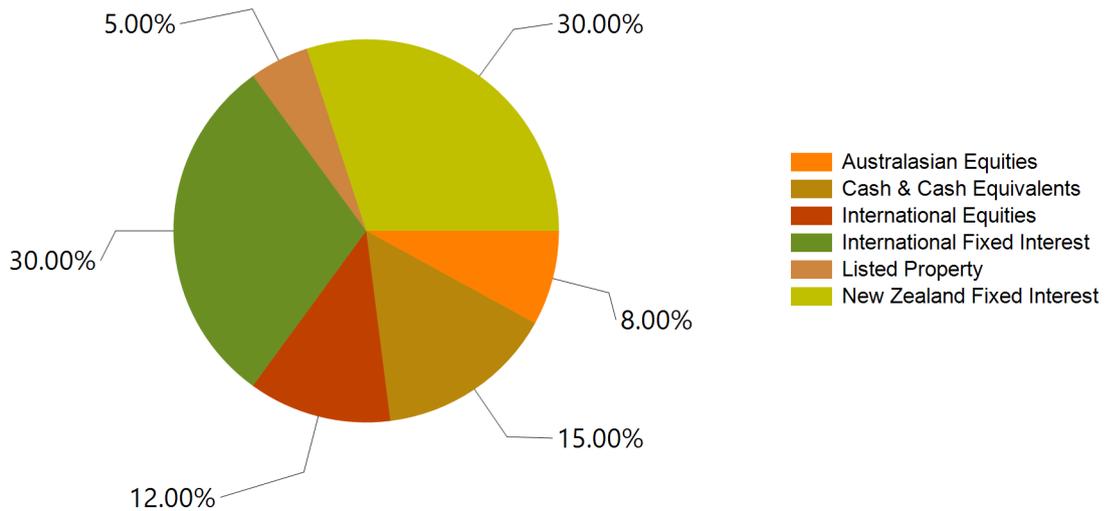
Actual Investment Mix



Foreign currency exposure was 40.00% hedged to New Zealand dollars as at 30 June 2024

Note: Other includes Forward currency contracts

Target Investment Mix



Top 10 investments

| | Asset Name | % of Fund net assets | Type | Country | Credit Rating (if applicable) |
|----|---|----------------------|------------------------------|---------|-------------------------------|
| 1 | Mercer Macquarie NZ Fixed Interest PIE | 31.28% | New Zealand fixed interest | NZ | |
| 2 | Affirmative Global Impact Bond Fund - Class A | 27.51% | International fixed interest | AU | |
| 3 | Mercer Macquarie NZ Cash Fund | 18.56% | Cash and cash equivalents | NZ | |
| 4 | Mint Australasian Equity Fund | 4.14% | Australasian equities | NZ | |
| 5 | PCG Diversified New Zealand Private Debt Fund | 2.95% | Australasian equities | NZ | |
| 6 | Kernel NZ 50 ESG Tilted Fund | 1.32% | Australasian equities | NZ | |
| 7 | Cash at Bank (BNZ) | 0.54% | Cash and cash equivalents | NZ | AA- |
| 8 | Mahindra & Mahindra Limited | 0.39% | International equities | IN | |
| 9 | Apple Inc | 0.31% | International equities | US | |
| 10 | Nvidia Corp | 0.31% | International equities | US | |

The top 10 investments make up 87.31% of the net asset value of the fund.

Key Personnel

| Name | Current position | Time in current position | Previous or other current position | Time in previous or other current position |
|----------------|------------------------------------|--------------------------|--|--|
| George Steele | Operations Lead | 2 years 3 months | Compliance Officer | 0 years 11 months |
| Ian Coates | General Manager, Aurora Capital | 2 years 4 months | Head of KiwiSaver, Aurora Financial | 2 years 0 months |
| Sean Henaghan | CIO & Director, Aurora Capital | 3 years 2 months | CIO & Director, Multi-Asset Group, AMP Capital | 5 years 0 months |
| Simon Rolland | CEO & Director, Aurora Capital | 3 years 2 months | CEO & Director, Aurora Financial | 6 years 0 months |
| Thomas McRobie | Investment Analyst, Aurora Capital | 3 years 2 months | Financial adviser, Aurora Financial | 2 years 1 months |

Further information

You can also obtain this information, the PDS for the Aurora KiwiSaver Scheme, and some additional information from the offer register at <https://disclose-register.companiesoffice.govt.nz>.

Notes

1. A combination of actual fund returns and market index returns have been used to determine the risk indicator as the fund has not been operating for the required five years. Market index returns have been used until 31 August 2021 and fund returns thereafter. The risk indicator may therefore provide a less reliable indicator of the fund's future volatility.